

WASHINGTON, DC - House Majority Leader Steny H. Hoyer (MD) released the following statement today after House Democratic leaders met with economic experts:

"Let me assure you: No one here underestimates the gravity of our economic crisis. That is why House Democrats have held several forums starting last December with economic experts to discuss how to respond to the crisis.

"But I left today's meeting confident that the Emergency Economic Stabilization legislation Congress passed early this month gives the Treasury Department the authority and flexibility it needs to respond to this crisis.

"I am encouraged that Secretary Paulson has shown a willingness to use this authority to make direct capital investments in financial institutions, which the economists advised us is the most beneficial action that can be taken in the short term to stabilize the system.

"Let there be no doubt, Congress stands behind Treasury and the Federal Reserve as they take the aggressive action we need to put a stop to this crisis. I applaud Secretary Paulson and Chairman Bernanke for their work.

"The economic recovery program won't turn our economy around instantly-especially when none of the authorized money has been spent yet. We're investing taxpayer money, and it's essential that that money be invested deliberately, not recklessly.

"However, I am still confident that the financial recovery program will unfreeze our credit markets, protect families' homes, and help millions of workers keep their jobs.

"Even so, the financial recovery program was emergency surgery-it will take much more work to get our economy back to health.

“In the short term, I believe Congress needs to consider further legislation to create jobs and help families in need. The House is taking immediate action by asking relevant committees to hold hearings to discuss options that will best help our economy grow.

“But even more, Congress needs to be flexible. As conditions change, we may also consider strengthening the tools available to the Treasury and the Fed to respond to the credit crisis, steady the housing market, and take other stabilizing steps.

“As for the next Congress, I think it should have two main economic priorities.

“First, we must restore effective oversight to our financial markets.

“The Democratic Congress has already passed comprehensive subprime lending reform, and we intend to continue on that path.

“Second, it's clear that a deep cause of this crisis has been fiscal recklessness-the record deficits and debt that have created a collapse of confidence in our financial system and set a horrible example for businesses and consumers.

“Stimulating our economy is important-but so is fiscal discipline.

“Striving toward it must remain a central goal.

“In many ways, this is the economic challenge of our lifetimes.

“But I am confident that we will rise to meet the challenge with the optimism and innovation that have made our country great.”

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